

MEMORANDUM

To: Arkansas "Registered" Investment Advisers
From: Tom Bull, Investment Adviser Supervisor
Re: Year 2004 Renewal Procedures
Date: November 15, 2003

FIRM RENEWAL PROCEDURE: The renewal fee for state registered investment advisers is \$300 per firm. If you have funded your renewal account, the firm renewal fee will be automatically forwarded to our Department by the IARD system. If you have not funded your renewal account, you will have to pay the renewal fee directly to this Department.

REPRESENTATIVE RENEWAL PROCEDURE: The IARD system will automatically forward the 2004 renewal fees for registered representatives if you have transitioned their Arkansas registration onto the CRD System and properly funded your renewal account. If not, the representative renewal fees will have to be paid directly to the Department. The renewal fee for registered representatives is \$75 per person.

FINANCIAL STATEMENTS: Every registered investment adviser must file with the Commissioner financial statements no later than ninety (90) days after the close of their fiscal year. Investment advisers that neither maintain customer funds or securities nor require the prepayment of more than \$500 in fees per client and more than six (6) months in advance, may submit an "**unaudited**" statement of financial condition, that is certified as true and accurate by the chief financial officer or the person executing the Form ADV.